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**MONTEREY FIRE PROTECTION DISTRICT  
NO. 1 OF CONCORDIA PARISH  
MONTEREY, LOUISIANA**

**Component Unit Financial Statements  
With Compilation Report  
of and for the Year Ended  
December 31, 2005**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 5/24/06

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**SECTION I – GENERAL PURPOSE FINANCIAL STATEMENTS**

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**Monterey Fire Protection District No. 1  
P. O. Box 335  
Monterey, LA 71354**

**We have compiled the accompanying balance sheet of the Monterey Fire Protection District No. 1 as of December 31, 2005 and the related statement of income in accordance with Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.**

**A compilation is limited to presenting in the form of financial statement information that is the representation of management. We have not audited or reviewed the accompanying financial statements and accordingly, do not express an opinion or any other form of assurance on them.**

**We are not independent in respect to Monterey Fire Protection District No. 1.**

**Ferriday, Louisiana  
May 17, 2006**

*Switzer, Hopkins & Mange*

**MONTEREY FIRE PROTECTION DISTRICT NO. 1  
OF CONCORDIA PARISH  
Monterey, Louisiana  
ALL FUND TYPES AND ACCOUNT GROUPS  
Balance Sheet  
December 31, 2005**

	Governmental Fund Type General <u>Fund</u>	Account Group General Fixed <u>Assets</u>	Total (Memorandum Only) <u>Only</u>
<b><u>ASSETS</u></b>			
Cash	\$ 560	\$ -	\$ 560
Accounts receivable - taxes	17,873	-	17,873
Land, buildings and equipment	<u>-</u>	<u>245,677</u>	<u>245,677</u>
<b>TOTAL ASSETS</b>	<b><u>18,433</u></b>	<b><u>245,677</u></b>	<b><u>264,110</u></b>
<b><u>LIABILITIES AND FUND EQUITY</u></b>			
<b>Liabilities:</b>			
Accounts payable	153	-	153
Accrued interest payable	57	-	57
Notes payable	<u>29,763</u>	<u>-</u>	<u>29,763</u>
<b>Total liabilities</b>	<b><u>29,973</u></b>	<b><u>-</u></b>	<b><u>29,973</u></b>
<b>Fund Equity:</b>			
Investment in general fixed assets	-	245,677	245,677
Fund balances - (deficit)	<u>(11,540)</u>	<u>-</u>	<u>(11,540)</u>
<b>Total Fund Equity</b>	<b><u>(11,540)</u></b>	<b><u>245,677</u></b>	<b><u>234,137</u></b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b><u>\$ 18,433</u></b>	<b><u>\$ 245,677</u></b>	<b><u>\$ 264,110</u></b>

The following notes are an integral part of this statement.

**MONTEREY FIRE PROTECTION DISTRICT NO. 1**  
**OF CONCORDIA PARISH**  
**Monterey, Louisiana**  
**Statement of Revenues, Expenditures and**  
**Changes in Fund Balance**  
**For the Year Ended December 31, 2005**

**Revenues:**

<b>Taxes</b>	<b>\$ 19,549</b>
<b>Intergovernmental revenue</b>	<b>7,594</b>
<b>Other revenue</b>	<b>10,127</b>
<b>Total revenues</b>	<b><u>37,270</u></b>

**Expenditures:**

**Public safety:**

<b>Personal services</b>	<b>1,150</b>
<b>Operating services</b>	<b>19,456</b>
<b>Materials and supplies</b>	<b>3,438</b>
<b>Capital outlay</b>	<b>8,364</b>
<b>Total expenditures</b>	<b><u>32,408</u></b>

<b>Excess of revenues over expenditures</b>	<b>4,862</b>
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**Other financing sources (uses):**

<b>Interest income</b>	<b>137</b>
<b>Interest expense</b>	<b><u>(2,016)</u></b>
<b>Total other financing sources (uses)</b>	<b><u>(1,879)</u></b>

<b>Deficiency of revenues and other sources over expenditures and other uses</b>	<b>2,983</b>
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<b>Fund balance at beginning of year (deficit)</b>	<b><u>(14,523)</u></b>
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<b>Fund balance at end of year (deficit)</b>	<b><u>\$ (11,540)</u></b>
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The following notes are an integral part of this statement.

**MONTEREY FIRE PROTECTION DISTRICT NO. 1  
OF CONCORDIA PARISH  
Monterey, Louisiana  
Statement of Revenues, Expenditures and  
Changes in Fund Balance – Budget and Actual  
For the Year Ended December 31, 2005**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>REVENUES</b>			
Taxes	\$ 18,600	\$ 19,549	\$ 949
Intergovernmental revenue	11,000	7,594	(3,406)
Other revenue	-	10,127	10,127
Total revenues	<u>29,600</u>	<u>37,270</u>	<u>7,670</u>
<b>EXPENDITURES</b>			
Personal services	888	1,150	(262)
Operating services	10,612	19,456	(8,844)
Materials and supplies	1,100	3,438	(2,338)
Capital outlay	15,000	8,364	6,636
Total expenditures	<u>27,600</u>	<u>32,408</u>	<u>(4,808)</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>2,000</b>	<b>4,862</b>	<b>2,862</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Interest income	-	137	137
Interest expense	(2,000)	(2,016)	(16)
Total other financing sources (uses)	<u>(2,000)</u>	<u>(1,879)</u>	<u>121</u>
<b>DEFICIENCY OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	<b>-</b>	<b>2,983</b>	<b>2,983</b>
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>(14,523)</u>	<u>(14,523)</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>(14,523)</u>	<u>(11,540)</u>	<u>2,983</u>

The following notes are an integral part of this statement.

**MONTEREY FIRE PROTECTION DISTRICT NO. 1  
OF CONCORDIA PARISH  
Monterey, Louisiana  
Notes to the Financial Statements  
For the Year Ended December 31, 2005**

**INTRODUCTION**

1. The Concordia Parish Police Jury created the Monterey Fire Protection District No. 1 by ordinance. The District operates in compliance with Part II, Title 40:1492-1502 of the Louisiana Revised Statutes.
2. The purpose of the District is to provide fire protection.
3. The District's boundaries are outside of the corporate limits of any municipality in Concordia Parish and outside of the Concordia Fire Protection District No. 1. Concordia Parish is located in East Central Louisiana.
4. A Board of Supervisors appointed by the Concordia Parish Police Jury governs the District. The board consists of five members and is presently serving without compensation.
5. The District has no paid employees.

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**1. Financial Reporting Entity**

This report includes all funds that are controlled by or dependent of the Board of Supervisors. Control by or dependence on the Fire District was determined on the basis of budget adoption, authority to issue debt, appointment of governing body, and other general oversight responsibility.

**2. Fund Accounting**

The accounts of the Fire District are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues and expenditures. Revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The funds presented in the accompanying financial statements are described as follows:

**General Fund**

The General Fund is the general operating fund of the Monterey Fire Protection District No. 1. It is used to account for all financial resources except those required to be accounted for in another fund.

**MONTEREY FIRE PROTECTION DISTRICT NO. 1  
OF CONCORDIA PARISH  
Monterey, Louisiana  
Notes to the Financial Statements  
For the Year Ended December 31, 2005**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-CONTINUED**

**General Fixed Assets –**

The General Fixed Assets Account Group is used to account for fixed assets used in governmental fund type operations for control purposes. All fixed assets are valued at historical cost. Donated fixed assets are valued at their estimated fair value on the date of donation. No depreciation is recorded on general fixed assets.

**3. Basis of Accounting**

Basis of accounting refers to when revenues and expenditures are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The accompanying general-purpose financial statements have been prepared on the modified accrual basis (GAAP) of accounting.

**Revenues**

Ad valorem taxes are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, become due on November 15, of each year, and become delinquent on December 31. The taxes are generally collected in December, January, and February.

Interest income on investments is recorded when the investments have matured and the income is available.

Substantially all other revenues are recorded when received.

**Expenditures**

Purchase of equipment and supplies are recorded when the related fund liability is incurred.

**4. Budget Practices**

Annually, the Fire District adopts a budget. Appropriations lapse at year-end and the District does not utilize encumbrance accounting.

**MONTEREY FIRE PROTECTION DISTRICT NO. 1  
OF CONCORDIA PARISH  
Monterey, Louisiana  
Notes to the Financial Statements  
For the Year Ended December 31, 2005**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES-CONTINUED**

**5. Cash and Investments**

At year-end, the balance of the District's deposits was \$560.

**NOTE B – TAXES**

The District is authorized to levy a maximum tax of 3.15 mills annually on property within the boundaries of the district for maintenance and operation of the district. The district levied 3.15 mills.

**NOTE C – GENERAL FIXED ASSETS**

The following is a schedule of general fixed assets at December 31, 2004:

<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance End of Year</u>
\$ 237,313	\$ 8,364	\$ -	\$ 245,677

**NOTE D – PENSION PLAN**

The district has no employees that would require participation in a retirement system.

**NOTE E – BANK LOANS PAYABLE**

The following is a summary of bank loan transactions for the two years ended December 31, 2004:

Bank loans payable at December 31, 2004	\$ 28,710
Additions	7,500
Payments	<u>(6,237)</u>
Bank loans payable at December 31, 2005	<u>\$ 29,973</u>

Bank loans payable are retired from the General Fund. Interest is at 7.25%; note is due December 21, 2006.

**NOTE F – LITIGATION AND CLAIMS**

The district is not involved in any litigation at December 31, 2005, nor is it aware of any unasserted claims.

**NOTE G – EXPENDITURES – ACTUAL AND BUDGET**

The following fund had actual expenditures over budgeted expenditures for the years ended December 31, 2005:

<u>Budgeted</u> <u>Expenditures</u>	<u>Actual</u> <u>Expenditures</u>	<u>Excess of Actual</u> <u>Over Budgeted</u> <u>Expenditures</u>
\$ 29,600	\$ 34,424	\$ (4,824)